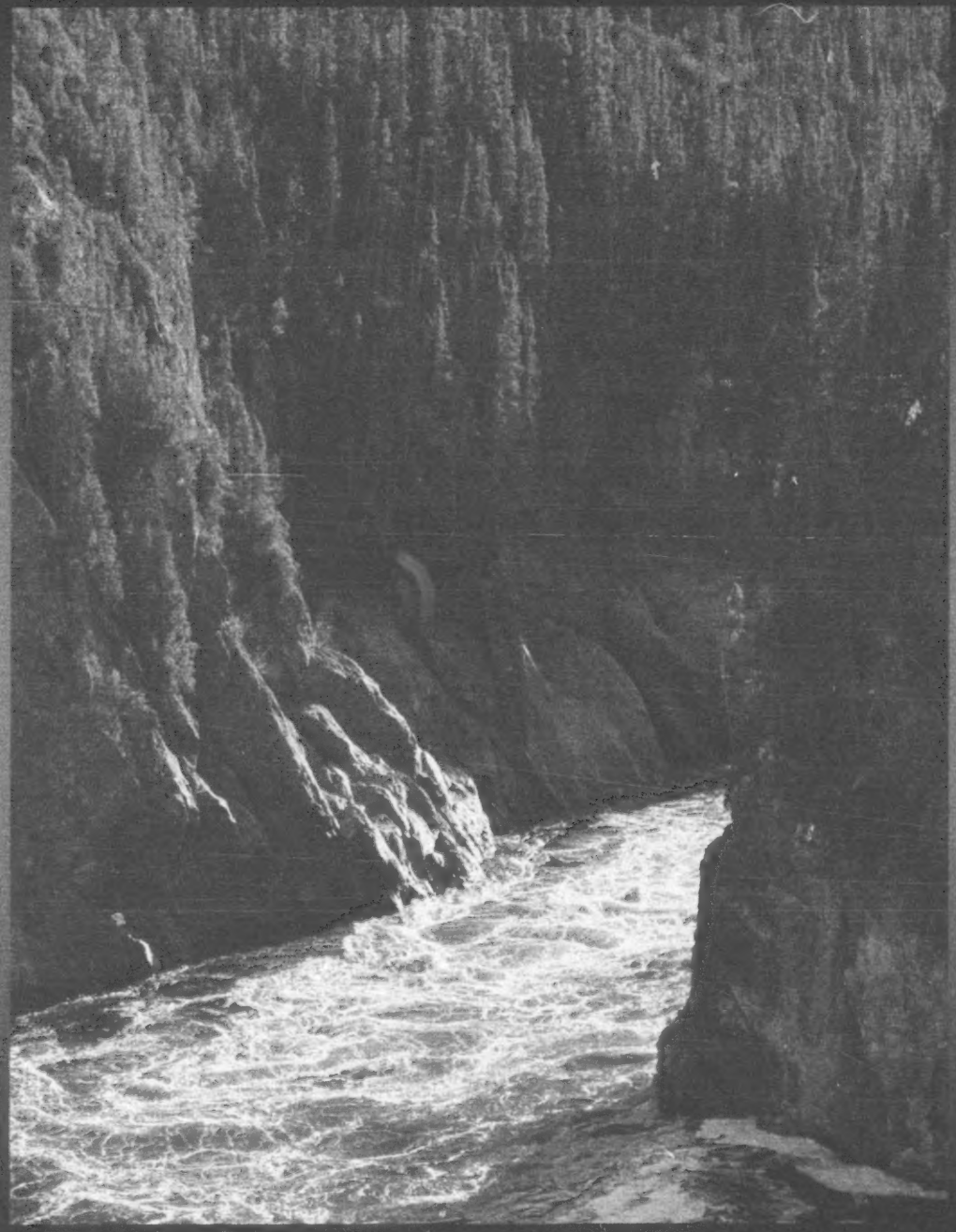
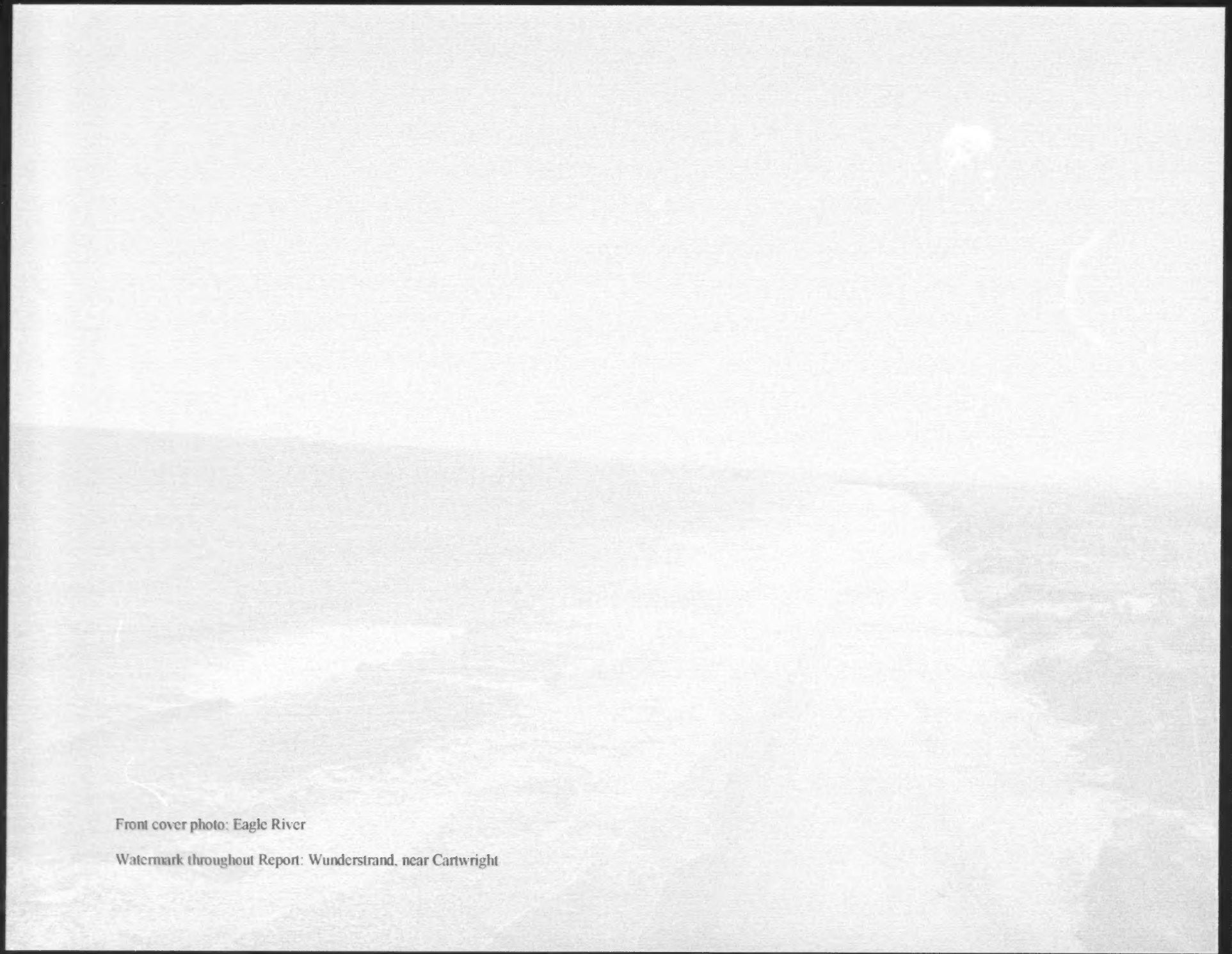


Annual Report

Newfoundland Labrador

Labrador Affairs Office

2012-13



Front cover photo: Eagle River

Watermark throughout Report: Wunderstrand, near Cartwright

MINISTER'S MESSAGE

I am pleased to present the Annual Report for the Labrador Affairs Office. The report highlights the activities and outcomes during the past fiscal year from April 1, 2012 to March 31, 2013. As the Minister Responsible for the Labrador Affairs Office, I am accountable for the preparation of this report and the results reported herein.

The Labrador Affairs Office of Executive Council has a mandate to: co-ordinate and develop policies and programs relating to significant issues of government interest in Labrador; advance social and economic development in Labrador; monitor government programs and services in Labrador; and, administer Labrador-specific programs as delegated by the Provincial Government.

It achieves this mandate through coordination and collaboration of Labrador related initiatives with Provincial Government departments/entities; Federal, Municipal and Aboriginal Governments and organizations; and, industry stakeholders.

Some highlights of the activities of the Labrador Affairs Office during the 2012-13 fiscal year include:

- Continued to monitor Provincial Government commitments in Labrador through the framework of the Northern Strategic Plan for Labrador;
- Established a new Labrador Affairs Office in Labrador West;
- Continued leadership roles in multi-agency committees including the Environmental Management and Planning Consultative Committee, the Lower Churchill Senior Officials Working Group, Labrador West Task Force and the Labrador Training Initiatives Committee;
- Continued delivery of Labrador-specific programs such as the Air Foodlift Subsidy and the Labrador Transportation Grooming Subsidy; and,
- Supported the 30th Labrador Winter Games held in Happy Valley-Goose Bay from March 3-9, 2013.

I wish to acknowledge the hard work and professionalism of the employees of the Labrador Affairs Office over the course of the 2012-13 fiscal year and I look forward to more great things for the Office and for all of Labrador in the year ahead.

Nick McGrath, M.H.A. Labrador West
Minister of Service NL and
Minister Responsible for Labrador Affairs

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INTRODUCTION

In fulfilling its commitment to being accountable to the citizens of Newfoundland and Labrador, the Provincial Government introduced the *Transparency and Accountability Act* (the *Act*). The *Act* provides the legislative framework for strengthening accountability of Provincial Government entities through multi-year performance-based plans and annual performance reports that are presented in the House of Assembly. This Annual Report identifies progress of the Labrador Affairs Office (LAO or the office) during the 2012-13 fiscal year in achieving the objectives set out in the 2011-14 Activity Plan. LAO is considered a Category 3 Public Entity within the context of the *Act*. In accordance with the *Act*, LAO's Activity Plan outlined the priorities for the 2011-12 to 2013-14 fiscal years.

The office tabled its 2011-2014 Activity Plan on April 17, 2012.

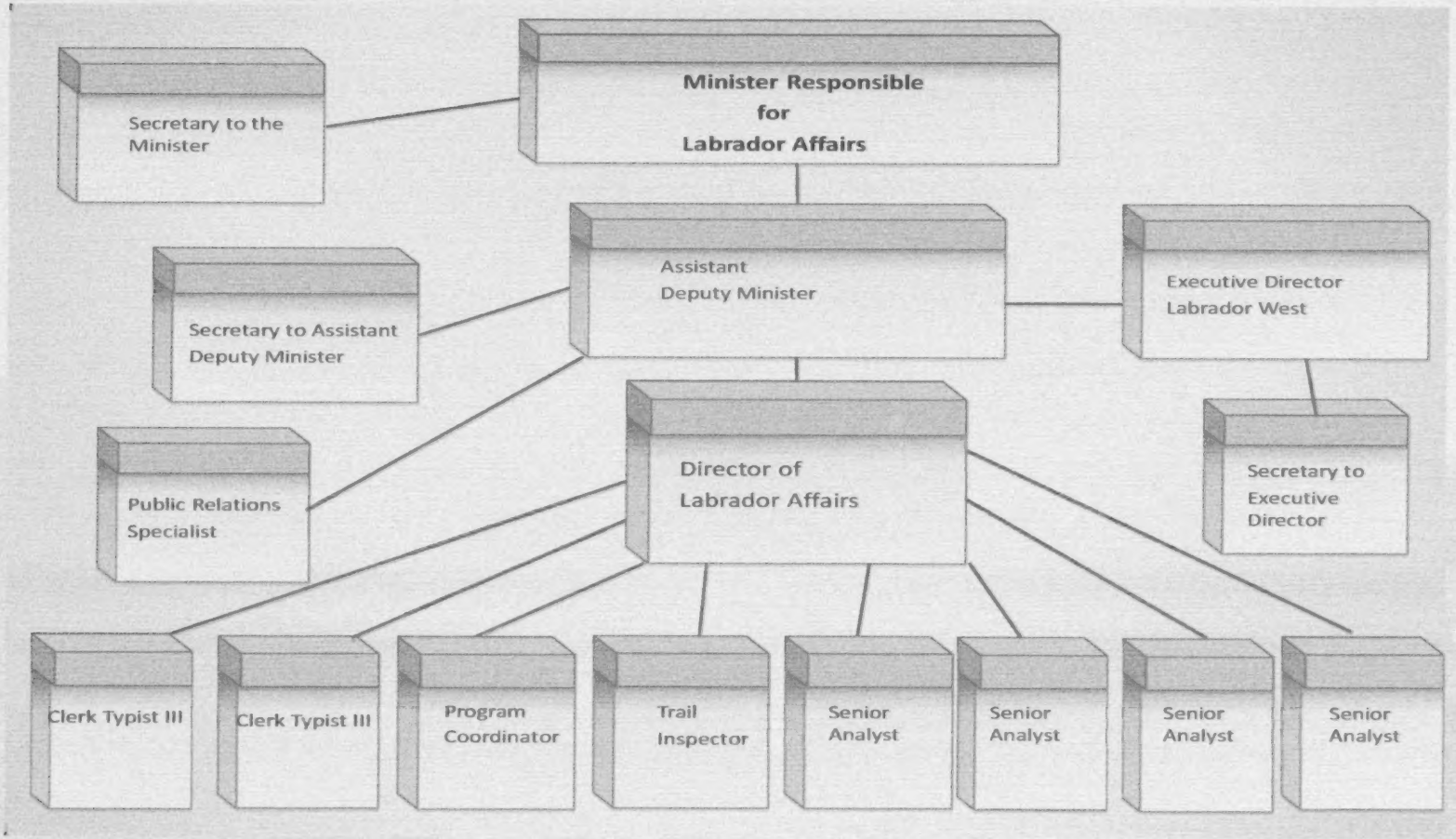
VISION

The Labrador Affairs Office vision is of a strong, sustainable and vibrant Labrador, where all people have the opportunity to prosper and contribute to their communities, regions, and the province.

ORGANIZATIONAL STRUCTURE AND LOCATION

Labrador Affairs Office focuses on economic and social development initiatives that impact Labrador. The office plays a role more like a central agency, as a coordinating and advisory body rather than a delivery agent.

LABRADOR AFFAIRS OFFICE ORGANIZATIONAL FLOW CHART



Labrador Affairs Office is located in Happy Valley-Goose Bay and a new office opened in Labrador City during the 2012-2013 fiscal year. As of March 31, 2013 the offices consist of 15 employees (5 male and 10 female). The Minister Responsible for Labrador Affairs also has an office in St John's. The Director of Communications responsible for the Office is located in St John's, as well.

FINANCIAL STATISTICS

The budget for the Labrador Affairs Office was $2.6 million for the 2012-13 fiscal year. The financial statement for 2012-13 is located at the end of this report.

MANDATE

The mandate of the Labrador Affairs Office, is built upon the Office Notice under the *Executive Council Act*, and is to:

a. co-ordinate and develop policies and programs relating to significant issues of government interest in Labrador;
b. advance social and economic development in Labrador;
c. monitor government programs and services in Labrador; and,
d. administer Labrador-specific programs as delegated by the Provincial Government.

LINES OF BUSINESS

1. Policy and Planning

The Labrador Affairs Office is responsible for the development, implementation and administration of provincial policies and associated agreements respecting Labrador issues.

The Labrador Affairs Office liaises with provincial departments/entities and other jurisdictions on Labrador issues. In doing so, the office aims to ensure that provincial policies, programs and services consider the unique concerns of Labrador communities, mainly via the provision of advice to provincial offices and agencies, and participation in provincial horizontal initiatives. The Labrador Affairs Office strives to develop a focused approach to government's service delivery in Labrador and demonstrates government's commitment to support Labrador issues through programs and policies.

2. Program Administration

The Labrador Affairs Office is responsible for the administration of a number of grants and subsidies unique to Labrador including:

- Air Foodlift Subsidy;
- Labrador Transportation Grooming Subsidy;
- YC Grant (Youth Conference); and,
- Combined Councils of Labrador funding.

The Labrador Affairs Office liaises with other northern ministries and assists in the management of intergovernmental relations on Labrador/northern issues.

3. Coordination and Collaboration

The Labrador Affairs Office is mandated to advance social and economic development in Labrador. This is achieved through coordination and collaboration on Labrador related initiatives. The office collaborates with Provincial Government departments/entities, federal, Aboriginal and municipal governments and industry organizations to support advancement of economic and social development in Labrador. Often the Labrador Affairs Office takes the lead role in coordinating intergovernmental committees such as the Environmental Management Planning and Consultative Committee and the Northern Development Ministers' Forum.

Iceberg off South Coast of Labrador

SHARED COMMITMENTS

Shared commitments represent those objectives that could not be met without the participation and actions of partners. In much of the office's work, collaboration is integral to the achievement of the objectives identified in the Activity Plan. On a daily basis, LAO played a lead role in coordinating among provincial departments/entities, the Federal Government and other associated groups on issues pertaining to Labrador residents.

Although LAO administers some 'Labrador-specific' programs most programs and services provided by the Provincial Government to Labrador residents are typically delivered by other departments or entities. Labrador-specific programs refer to programs that are delivered by the Provincial Government only in Labrador.

Much of the office's activities include those for which it is the designated lead such as implementation and monitoring of the *Northern Strategic Plan*, chairing the Environmental Management Planning Consultative Committee and the Senior Officials Working Group (SOWG) for the Lower Churchill Project, all of which involved close collaboration with one or more provincial public entities. These collaborative efforts support government's strategic direction to advancing social and economic development in Labrador.

SOME OF THE SHARED COMMITMENTS, ON WHICH THE LABRADOR AFFAIRS OFFICE WAS THE LEAD, INCLUDE:

NORTHERN STRATEGIC PLAN

The *Northern Strategic Plan* for Labrador was launched on April 20, 2007 and included 145 Provincial Government commitments focusing on eight underlying themes including: Transportation; Natural Resources and Environment; Tourism and Cultural Development; Education and Employment; Health; Access to Programming and Services; Aboriginal Partnerships; and Working Together. LAO, through collaboration with provincial departments/entities and stakeholders, moved forward on Labrador's economic and social development initiatives.

The office is responsible for ensuring that the *Northern Strategic Plan* is implemented in an effective and timely manner. This is done in collaboration with line departments/entities to monitor the progress of each individual commitment that supports the goals and objectives of the *Northern Strategic Plan*. Outcomes of the plan strongly support government's strategic direction to enhance social and economic development in Labrador.

ENVIRONMENTAL MANAGEMENT AND PLANNING CONSULTATIVE COMMITTEE

The role of the Environmental Management and Planning Consultative Committee (EMPCC) is to identify potential environmental effects as a result of construction of Phase III of the Trans Labrador Highway (TLH III); discuss existing applicable resource management and planning processes; and recommend additional measures which may be required to address environmental issues. Committee representation includes appropriate provincial regulatory and resource management entities, the Innu Nation and relevant departments/entities of the Federal Government.

The EMPCC is chaired by LAO, which also co-ordinates and facilitates committee meeting activities. Issues and recommendations regarding environmental impacts during construction and operation of the TLH III are identified and relevant departments/entities/ are informed. The EMPCC continues to seek expertise of pertinent departments/entities from its Enforcement Sub-Committee in its efforts to bring forward areas of concern and possible solutions to issues and recommendations.

In collaboration with other committee members, the role fulfilled by LAO supports government's strategic directions to enhance communications and accessibility for Labrador residents as well as ensuring Provincial Government policy reflects Labrador interests.

NORTHERN DEVELOPMENT MINISTERS' FORUM

The Northern Development Ministers' Forum (NDMF) was established in 2001 to advance the diverse and common interests of Northerners across the country and raise awareness among decision-makers and the public about the accomplishments, contributions and potential of the north. The NDMF focuses on current economic, fiscal and social issues of importance to the north, derived from each jurisdiction's priorities.

NDMF member jurisdictions include northern representatives from the governments of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Newfoundland and Labrador, Yukon, the Northwest Territories, Nunavut and Canada.

Labrador Affairs Office represents the province on the NDMF, is a member of the NDMF Senior Officials Working Group, and sits on the working groups for the priority projects. The NDMF establishes priority projects to address distinct northern development and opportunity with the projects used by member jurisdictions to advance northern issues.

The projects that are currently being undertaken include "Information and Communications in the North"; "Sustainable Northern Resource Development: Benefits Agreements"; and, "Sustainable Housing in the North". Saskatchewan and Alberta will be co-hosting the next forum to be held in Fort McMurray in 2013.

LAO's role on the NDMF supports government's strategic direction to improve economic and social development in Labrador and ensures Provincial Government policy reflects Labrador interests.

LABRADOR TRAINING INITIATIVES COMMITTEE

The Labrador Training Initiatives Committee is comprised of representatives from government departments/entities in Labrador and is chaired by Labrador Affairs Office. The purpose of the committee is to liaise with the Center for Learning and Development and where appropriate other agencies to ensure effective and efficient delivery of training opportunities in Labrador. The committee assesses and identifies regional training needs and works to coordinate the development and delivery of training activities related to the identified needs.

SOME OF THE SHARED COMMITMENTS, ON WHICH LABRADOR AFFAIRS OFFICE PARTICIPATED INCLUDE:

LABRADOR REGIONAL SENIOR MANAGEMENT COUNCIL

The Labrador Regional Senior Management Council serves as a forum within the Provincial Government to discuss and consider means for improved service delivery within the region while also providing an opportunity for senior management to meet and provide updates on respective department/entity initiatives.

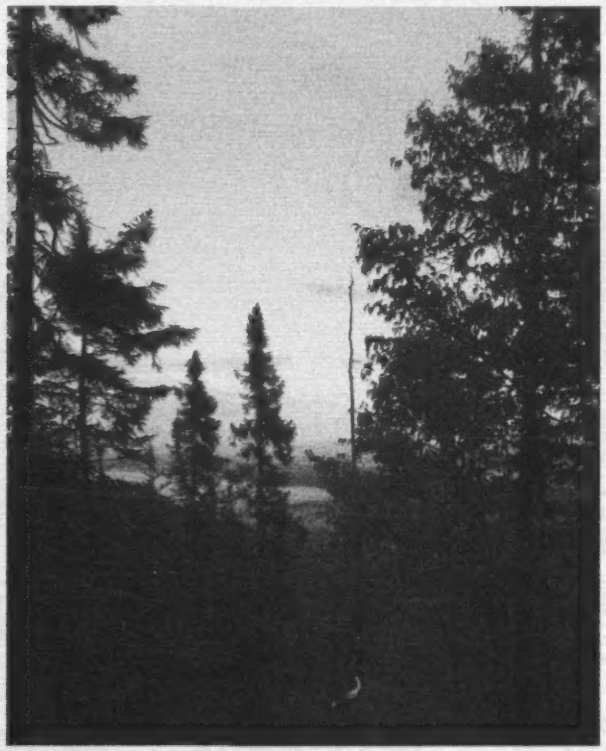
LAO has chaired the Council since 2001 and continues to co-ordinate communications between the region and the Provincial Government.

5 WING GOOSE BAY

In cooperation with other departments/entities and the Town of Happy Valley-Goose Bay, LAO supported efforts to sustain and diversify operations at Canadian Forces Base 5 Wing Goose Bay (5 Wing). In 2012, LAO participated in the Goose Bay Community Consultation on 5 Wing Goose Bay. The goal of the consultation was to keep local civic, government and business leaders informed on the events at CFB Goose Bay, as well as allow for a cooperative relationship between CFB Goose Bay and the residents of Happy Valley-Goose Bay. LAO also attended the Concept Development Conference that was hosted by 5 Wing Goose Bay, which included an Open House that showcased the operational capability of 5 Wing to Allied nations and organizations in need of a robust training area.

The office is also an ex-officio member on the Board for the Institute of Environmental Monitoring and Research. The Institute conducts and provides insightful, comprehensive, scientific research in Labrador and northeastern Quebec ecosystems affected by the low-level flying program.

The Institute offers scientifically supported recommendations to the federal ministers of Environment and National Defence on policy issues relating to the impacts of low-level flying.



View from Pine Tree, Lake Melville

TORNGAT MOUNTAINS AND MEALY MOUNTAINS NATIONAL PARK COMMITTEES

Labrador Affairs Office (On behalf of the Department of Environment and Conservation) has non-voting observer status at meetings of the Torngat Mountains Cooperative Management Board. This Board assists Parks Canada in an advisory capacity regarding the management of the Torngat Mountains National Park, including the development of policy for visitor use of the park.

On February 5, 2010, Canada and the Government of Newfoundland and Labrador announced the commitment to create a new national park reserve in the Mealy Mountain area of Labrador. The responsible provincial and federal ministers accepted the consensus recommendations of the Steering Committee for the National Park Feasibility Study, and signed a memorandum of understanding outlining the next steps the two governments will take to establish the national park reserve, including the negotiation of a federal-provincial land transfer agreement. LAO participates on the provincial negotiating team for the federal-provincial land transfer agreement.

Collaboration on this committee supports government's strategic direction to improve economic and social development in Labrador and to ensure Provincial Government policy reflects Labrador interests.

CLIMATE CHANGE MINISTERIAL COMMITTEE

The Government of Newfoundland and Labrador believes that climate change is one of the greatest long-term challenges facing the planet, and it is committed to fulfilling the province's potential to be a global leader in this area. On August 16, 2011 Government released *Charting our Course: Climate Change Action Plan 2011* as a commitment from the 2007 Energy Plan and the *Northern Strategic Plan* for Labrador. The Minister Responsible for Labrador Affairs sits on the ministerial committee overseeing progress of this strategic plan.

VIOLENCE PREVENTION INITIATIVE

LAO was represented on the Deputy Ministers Committee for the Violence Prevention Initiative (VPI). LAO participated on the Violence Prevention Labrador (VPL) Coalition, in support of the VPI. VPL is a pan-Labrador organization whose coalition includes volunteers from like-minded organizations and community partners from all over Labrador. VPL supports and strengthens the principal of unity in diversity as a guide to provide positive leadership to end violence and promote community capacity building in Labrador communities. LAO attended VPL's Annual General Meeting held at Labrador Affairs Office Boardroom in Happy Valley-Goose Bay on September 5-6, 2012 and contributed to the development of its work plan for 2012-2013.

POVERTY REDUCTION STRATEGY

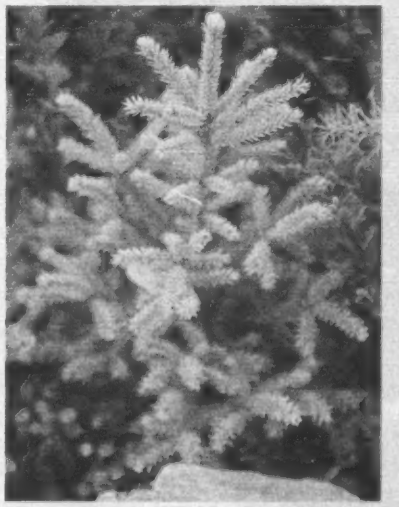
Budget 2010 included an announcement of $134 million in support of the *Poverty Reduction Strategy* (PRS). During 2012-2013, the Minister Responsible for Labrador Affairs served on the Ministerial Committee and LAO was represented on the Deputy Ministers Committee and the Officials Committee.

ARCTIC OPPORTUNITIES

The Arctic is undergoing significant change and has become an area of provincial, national and international focus as these changes present a variety of opportunities and challenges. The Minister Responsible for Labrador Affairs participated on the Ministers Committee for Arctic Opportunities. As well, the Department of Innovation, Business and Rural Development led a Deputy Minister Steering Committee and an Arctic Opportunities Working Group to coordinate government's efforts related to the Arctic, identify possible opportunities and set strategic direction for the future. Over the past year targeted consultation sessions were held to provide further input on arctic opportunities and government's potential role. LAO was represented on both the steering committee and working group and continues to support the initiative.

GEORGE RIVER CARIBOU HERD

On January 28, 2013, due to continued decline of the George River caribou herd, the Provincial Government initiated an immediate ban on all caribou hunting in Labrador for conservation purposes for a period of five years, with a review after two years. Recent census results, as well as biological information gathered and ongoing population modeling, indicate the herd currently stands at less than 20,000 caribou, representing a decline of more than 70 per cent since the July 2010 estimate of 74,000. The Provincial Government will continue to monitor the George River caribou herd, assess the population on an annual basis, and continue to work closely with Aboriginal groups while it proceeds with protecting this herd. LAO supported the efforts of the Department of Environment and Conservation (ENVC) through government's consultative process and through participation at stakeholder meetings. ENVC established a Provincial George River Caribou Herd Advisory Committee which is responsible for promoting conservation of the herd and providing management recommendations to the Minister of Environment and Conservation. LAO's participation on this Committee supports the strategic direction of Government to improve social development in Labrador, enhance accessibility for residents of Labrador and to ensure Provincial Government policy reflects Labrador interests.



Blue Spruce near Port Hope Simpson

SHARED COMMITMENTS WITH COMMUNITY AND OTHER STAKEHOLDERS INCLUDE:

COMMUNITY ADVISORY PANEL – LABRADOR WEST

Community Advisory Panel (CAP) was established in Labrador City in 2006 with representatives from industry, government, non-government organization's and the not-for-profit sector. The objective is for key stakeholders in Labrador West to meet and discuss topics that affect the community. The number of community stakeholders has grown to over 20. The Iron Ore Company of Canada (IOC) initiated the organization of CAP as a way of bringing together a cross-section of community voices to discover solutions to common issues. Today, both IOC and Cliff's Iron Mines coordinate the CAP meetings. The CAP meets two to three times per year. There are five sub-committees: Housing, Transportation, Social, Business and Tourism and Environment. LAO continues to participate in an advisory capacity.

FOOD SECURITY NETWORK

The Food Security Network (FSN) received funding under the Public Health Agency of Canada's (PHAC) Innovative Strategy Program to complete a project titled "Engaging Communities: Achieving Healthier Weights through Community Food Security in Remote Inuit Populations". This project aims to develop and refine the innovative community-led food assessment model for engaging rural, remote, northern, and underserved communities and regions. Through Phase I of this project, FSN was able to facilitate the initial implementation of a community freezer program and gardening initiative in Hopedale, as well as increase gardening skills and awareness of healthy eating in the community. Phase I also included the development of community learning guides and the development of key partnerships with communities along the North Coast of Labrador. The office participated on the Committee in an advisory capacity. In June 2012, FSN applied for additional funding through PHAC's Innovative Strategy to continue with Phase II of the project which would support two additional communities in Labrador in hosting community-led food assessments and implementing interventions. As well, the initiative will see the creation of a regional food security network, and development of recommendations for a regional food security strategy. The office will continue to participate on the advisory board.

HAPPY VALLEY-GOOSE BAY HOMELESSNESS/ TRANSITIONAL HOUSING WORKING GROUP

The Happy Valley-Goose Bay Homelessness/Transitional Housing Working Group was established in late 2006 to investigate the nature and prevalence of homelessness in Happy Valley-Goose Bay. With support from the National Housing Initiative / Regional Homelessness Fund, the group completed research and released a community plan in June 2007 with findings and recommendations for future actions. The two highest priority needs are interdependent and involve: the development of accessible, individual, housing units for individuals with multiple and complex needs, and the improvement of wrap-around services for people with multiple and complex needs. The Labrador Friendship Centre accepted the working group's recommendation to be the proponent for this project. The housing support worker has been transferred to Newfoundland Labrador Housing Corporation. The working group consists of local stakeholders. LAO participated as a member of this working group.

HOMELESSNESS PARTNERING STRATEGY

The Homelessness Partnering Strategy aims to prevent and reduce homelessness across Canada.

It does so by developing partnerships that contribute to a sustainable and comprehensive continuum of supports to help those who are homeless or at risk of homelessness move towards self-sufficiency. It mobilizes partners at the federal-provincial/territorial and community levels to address barriers to well-being faced by homeless individuals and those at risk. LAO participates as a member of the NL Regional Advisory Board for this Strategy.

DESTINATION LABRADOR

Destination Labrador is a non-profit organization whose primary role is to develop and execute a tourism marketing strategy for Labrador. Destination Labrador collaborates with industry stakeholders and various government departments/entities in developing this marketing strategy. LAO continues to liaise with Destination Labrador on advancing tourism in Labrador.

LABRADOR ABORIGINAL TRAINING PARTNERSHIP

Created in 2009, the Labrador Aboriginal Training Partnership Inc. (LATP) was mandated to develop and oversee a comprehensive training to employment plan to prepare Labrador Innu, Inuit and members of the NunatuKavut Community Council for employment opportunities resulting from resource development in Labrador. The was co-funded by the Provincial Government and the federal government, in partnership with the Nunatsiavut Government (NG), Innu Nation, NunatuKavut Community Council and Nalcor Energy. LATP continues to fulfill its mandate, particularly with the development of the Lower Churchill Project. The Labrador Affairs Office is a non-voting member on the LATP Board. The Board is comprised of the following voting members: the NG, Innu Nation, NunatuKavut Community Council and Nalcor Energy. Federal Government and Provincial Government departments' representatives are non-voting board members.

This initiative supports government's strategic direction to enhance accessibility for residents of Labrador. LAO participation on the Board also ensures Provincial Government policy reflects Labrador interests.

Churchill River, Labrador

HIGHLIGHTS AND ACCOMPLISHMENTS

NORTHERN STRATEGIC PLAN

In its sixth year, there are a total of 243 commitments totaling $730 million. LAO continued to lead this horizontal plan on behalf of the Provincial Government. The office organized one-on-one sessions with Provincial Government departments/entities involved in the *Northern Strategic Plan* in the fall of 2012.

NATIONAL PARK RESERVE IN THE MEALY MOUNTAINS

Formal negotiations began between the Province and the Government of Canada on a Land Transfer Agreement to establish a national park reserve in the Mealy Mountains of Labrador. On February 5, 2010, the Governments of Canada and Newfoundland and Labrador announced they agreed to establish a national park reserve in the Mealy Mountains that will protect this spectacular boreal landscape in central Labrador for the benefit of present and future generations of all Canadians. LAO participates as a member of the negotiation team.

NEW OFFICE ESTABLISHED IN LABRADOR WEST

The economy in Labrador West is expanding at a rapid pace due to significant growth in the mining industry. As such, the Provincial Government has responsibilities to monitor existing government infrastructure, programs and services to ensure current demands are met. Government established a Labrador Affairs Office in Labrador West during the spring of 2012. LAO hired an Executive Director for its Labrador West office who advises the Provincial Government of requirements from both an economic and social standpoint in Labrador West.

SENIOR OFFICIALS WORKING GROUP LOWER CHURCHILL PROJECT

A working group of senior officials from several Provincial Government departments co-chaired by Labrador Affairs Office and the Town of Happy Valley-Goose Bay (the Town) has been established to better understand and measure impacts of the Lower Churchill Project on the Town. The mandate of the Senior Official's Working Group (SOWG) is to support the sustainability of the Town through open and proactive dialogue between the Government and the Town in addressing any impacts of the Lower Churchill Project on the community. The group met several times throughout 2012-13 and will continue to meet throughout the construction period of the Lower Churchill development. LAO oversees coordination of working group activity. LAO's role on the SOWG supports government's strategic direction to ensure Provincial Government policy reflects Labrador's interests and to improve economic and social development in Labrador.

LOWER CHURCHILL DEVELOPMENT

The Lower Churchill development was sanctioned in December 2012 and will bring economic benefits to Labrador. Specifically the project will generate 8,600 person-years of direct employment in Newfoundland and Labrador, with 5,400 of these person-years occurring in Labrador.

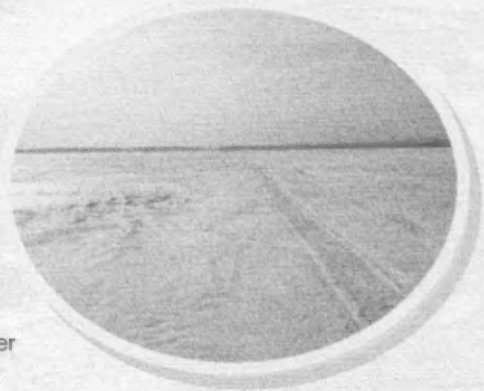
When considering indirect and induced employment, more than 7,500 person-years of employment in total will take place in Labrador. To highlight the significance of the economic benefit to Labrador an average of 1,150 people will be employed per year throughout the development at the Muskrat Falls site with more than 75 per cent of the direct labour for the Muskrat Falls Generation Facility to be undertaken in Labrador.

In 2012 Labrador Affairs Office undertook the coordination role for government with the permitting process for the Lower Churchill development. Labrador Affairs Office maintains contact with relevant departments and entities to ensure that permits for the project are completed in a timely fashion.

The *Northern Strategic Plan* has assisted in advancing the social and economic prosperity of Labrador. Labrador Affairs Office expects that the development of the Lower Churchill will only enhance the core development of the plan, as well as the social and economic growth of Labrador.

LABRADOR TRANSPORTATION GROOMING SUBSIDY

The Government of Newfoundland and Labrador continues to provide funding from the Labrador Transportation Grooming Subsidy (LTGS) to coastal communities that do not have year-round road connections to other areas of Labrador. This subsidy supports government's strategic direction to improve economic and social development in Labrador. The Provincial Government provides support to regions along the north and south coasts of Labrador for maintenance of the winter trail systems. The Inuit Community Governments of Hopedale, Postville, Makkovik, and Rigolet, as well as the Eagle River Development Association, Labrador White Bear Development Association (LWBDA), Mud Lake, Town of North West River and Grand River Snowmobile Club, received funding from this program. Weather conditions for the 2012-2013 grooming season were exceptional. Emergency shelters were placed in strategic locations on the trail between Happy Valley-Goose Bay and Rigolet and between North West River and Postville. The overall operating budget for the LTGS for the 2012-2013 grooming season increased to $351,000.



Trail Marking North West River to Mulligan

LWBDA was provided $24,597.75 of this funding to purchase a snowmobile/drag to be used in a pilot project on snowmobile grooming efficiency during the 2013-2014 season. Funding in the amount of $120,000 to build the groomer garage at the Town of North West River was provided with anticipated construction in summer 2013. During the summer and fall LAO held meetings with all service providers involved in the LTGS and gathered very important input into program administration.

AIR FOODLIFT SUBSIDY

The Air Foodlift Subsidy (AFS) program was established by the Provincial Government in 1997 to ensure that nutritious, perishable items such as fruit, vegetables and dairy products are more affordable to Labrador's coastal communities. The subsidy supported government's strategic direction to improve economic and social development in Labrador. The AFS program is coordinated, managed and administered by LAO. As a result of the Federal Government replacing its Food Mail program with a restructured Nutrition North Canada (NNC) program effective April 1, 2011, the Government of Newfoundland and Labrador made adjustments to the provincial AFS program. Under the AFS program, a subsidy is paid to retail stores to offset the high cost of flying perishable foods into these communities. Retailers are required to pass these savings on to the consumer on the cost of goods sold.

LAO collaborated regularly with the federal Department of Aboriginal Affairs and Northern Development Canada as well as the provincial Department of Health and Community Services and Newfoundland and Labrador Statistics Agency on the AFS program.

LABRADOR WEST REGIONAL TASK FORCE

In February, 2012 the Labrador West Regional Task Force (Task Force) was formed by the Iron Ore Company of Canada to address the challenges associated with the economic boom in the mining industry in Labrador west. The Task Force is comprised of representatives from industry, municipalities, provincial and federal governments.

The key focal point of the Task Force is sustainability of the Labrador West region. The Task Force supported the Towns of Wabush and Labrador City on developing a Regional Growth Strategy that will harness the tremendous economic and social potential of the region over the next 20 years. Priorities of the Task Force include, but are not limited to, infrastructure, housing, labour availability and developable land. Labrador Affairs Office has assumed the role of facilitator and is involved in the ongoing coordination of the Task Force Collaboration on this Task Force supports government's strategic direction to improve economic and social development in Labrador and to ensure Provincial Government policy reflects Labrador interests.

COMBINED COUNCILS OF LABRADOR

The Combined Councils of Labrador (CCL), established in 1972, provides an opportunity for municipal leaders throughout Labrador to gather and discuss issues of mutual concern and to engage the Provincial Government in meaningful deliberations. LAO has provided annual operating grant of $100,000 to the CCL to support community collaboration in Labrador since 2007-08. Annual meetings between CCL board members and Provincial Government Ministers took place in December, 2012. LAO worked closely with the CCL by coordinating and facilitating discussion on major issues in Labrador. This involvement supports the government's strategic direction to reflect Labrador interests in provincial policy.

NEWFOUNDLAND & LABRADOR GEOGRAPHICAL NAMES BOARD

Labrador Affairs Office is represented on the Newfoundland and Labrador Geographical Names Board which is led by the Department of Environment and Conservation. Under the *Geographical Names Board Act*, it has the authority to officially name all geographical features such as rivers, ponds, lakes, mountains and roads. Provincial, territorial and federal naming authorities have representation on the Geographical Names Board of Canada which is responsible for the establishment and the maintenance of national standards in toponomy.

LABRADOR WINTER GAMES BOARD

The Labrador Winter Games provides an opportunity for Labradorians to come together to celebrate Labrador sports and culture. More than 400 participants from 25 communities throughout Labrador compete in contemporary sport and traditional skill competition such as dog sledding and snowshoeing. The 30 anniversary Labrador Winter Games took place from March 3 to 9, 2013 The Provincial Government provided $500,000 to support the 2010 Labrador Winter Games. A Labrador Winter Games Board of Directors is responsible for overseeing and managing operations of all aspects of the games. LAO is a member of the Board.

Rick Mercer at the 2013 Labrador Winter Games

REPORT ON PERFORMANCE

In consideration of government's strategic directions to enhance economic and social development of the Labrador region and the mandate and financial resources of the Labrador Affairs Office, the following issues were identified as the key priorities of the Minister for the next three years. The objectives identified for the issues reflect the results expected each year of the three-year timeframe. Reporting on the objectives will be done with an annual focus. Measures and indicators are provided for the objectives of the issues to assist both the Labrador Affairs Office and the public in monitoring and evaluating success. The office will be reporting on the same objectives and indicators for 2013-14 as 2012-13.

Advancing social and economic development of Labrador communities requires effective relationships with the residents of Labrador and other departments and entities of the Provincial Government. These relationships are enhanced by high quality communications and consultations. As a result, Provincial Government policy will more effectively reflect the interests of Labrador communities in areas such as enhanced accessibility for residents of Labrador, and the economic and social development of Labrador. Provincial engagement with resource development stakeholders in Labrador is crucial to unlocking the resource rich potential of Labrador. Input is a means to effectively manage these developments while maintaining the integrity of Labrador's cultural and social landscapes.

ISSUE 1 SOCIAL AND ECONOMIC PLANNING

The vision and mission of the Labrador Affairs Office is to ensure that Provincial Government policies and programs are appropriately adapted or modified to account for the unique needs in Labrador, in order to promote effective social and economic development of Labrador communities. In Labrador communities "one size does not fit all" and in many cases a single size may only serve to diminish, instead of develop, the noted interests. Major resource development projects such as mineral development in Labrador West and Lower Churchill Project will provide economic opportunities as well as social challenges. Strategic planning will ensure government is prepared for future demands on existing government programs and services.

This can be achieved by:

- advancing the progression of social development in Labrador;
- providing leadership and supporting maximization of economic development opportunities; and,
- monitoring progress of Provincial Government commitments through the *Northern Strategic Plan* for Labrador.

These activities will lead to enhanced social and economic development as identified in the Strategic Directions. The Labrador Affairs Office will report upon the objective and indicators for the 2012-2013 fiscal year.

ISSUE OBJECTIVE 2012-13

BY MARCH 31, 2013, THE LABRADOR AFFAIRS OFFICE WILL HAVE PROVIDED INPUT TO GOVERNMENT IN SUPPORT OF ECONOMIC AND SOCIAL PLANNING IN LABRADOR.

OBJECTIVE INDICATOR

1. **Continued to monitor the initiatives under the Northern Strategic Plan for Labrador.**

PERFORMANCE

A monitoring framework tracked progression of the *Northern Strategic Plan*. The monitoring process provides updated progress, by regularly engaging department/entities representatives to maintain current and accurate account of all commitments, and by regularly recording progress into the monitoring framework.

LAO advocated for *Northern Strategic Plan* goals and objectives by working closely with Provincial Government departments/entities on existing and new *Northern Strategic Plan* commitments and monitoring all monies spent to support *Northern Strategic Plan* initiatives.

In Fall 2012, LAO reviewed all NSP commitments and status reports. In lieu of the annual NSP designate planning session, LAO met individually with relevant department/entity designates to discuss commitment status and reporting progress.

In April 2012, LAO advised all relevant departments/entities that the NSP will be continuing as a living document. Although the NSP was initially a five-year plan, a number of commitments remain outstanding and Government will continue with the NSP to ensure progress of all commitments to support the economic and social development in Labrador.

During 2012-13, LAO worked with the Budgeting Division of the Department of Finance and departments/entities, to update and review financials of *Northern Strategic Plan* commitments to ensure the goals and objectives had been achieved.

OBJECTIVE INDICATOR

2. **Supported social and economic development consultations in Labrador;**

PERFORMANCE

Social and economic development in Labrador is supported through government consultation processes. LAO provides advice to Provincial Government departments/entities seeking input from residents of Labrador. Oftentimes LAO will provide advice on appropriate locations and dates for consultations. LAO is asked for input on invitation lists and feedback on sensitive issues that department/entities should be aware of.

Combined Councils of Labrador

Through the Labrador Affairs Office, Government contributed $100,000 towards the cost to operate the Combined Councils of Labrador during the 2012-2013 fiscal year.

The following provides details on how LAO supports these consultation processes.

LAO supported government on Labrador issues in pre-budget consultations. On behalf of Government, the Minister Responsible for Labrador Affairs hosted pre-budget consultations on in Labrador City (February 25, 2013) and Happy Valley-Goose Bay (February 26, 2013).

LAO assisted the Combined Councils of Labrador (CCL) with scheduling annual meetings with ministers from various departments/entities in December, 2012. The ministerial meetings take place to allow the CCL to forward resolutions and concerns on behalf of the communities of Labrador

The Department of Natural Resources conducted a series of themed consultation sessions in 2012-2013 to gather input from stakeholders towards the development of the Forestry Management Five-Year Operating Plan for District 19 (central Labrador). LAO supported Natural Resources during these consultation sessions and provided input into development of the plan. The Forestry Management Five-Year Operating Plan for District 19 was released from Environmental Assessment on January 10, 2013.

The Arctic Opportunities Working Group consulted with stakeholders on current and future arctic activities and government's role in the arctic opportunities. LAO participated on the Arctic Opportunities Working Group and provided advice and coordination support on consultations sessions held in Happy Valley – Goose Bay (October 3, 2012) and Labrador West (October 4, 2012).

LAO participated in a number of consultations with community stakeholders, including the Town of Happy Valley-Goose Bay and the Labrador North Chamber of Commerce, regarding the Lower Churchill Hydroelectric Development.

The office led meetings and discussions with service providers and stakeholders of the Air Foodlift Subsidy and the Labrador Transportation Grooming Subsidy to receive feedback on program administration. During the Summer and Fall of 2012 office staff attended community meetings in central Labrador and on the north and south coasts of Labrador to gain input into operation and administration of the LTGS. All service providers that attended these meetings include:

- Rigolet Inuit Community Government;
- Makkovik Inuit Community Government;
- Postville Inuit Community Government;
- Hopedale Inuit Community Government;

- Eagle River Development Association;
- Labrador White Bear Development Association;
- The Town of North West River;
- Grand River Snowmobile Club, and;
- The Aids to Navigation Committee (Mud Lake).

LAO participated in the Community Consultation on 5 Wing Goose Bay. The goal of the consultation was to keep local civic, government and business leaders informed on the events at 5 Wing Goose Bay, as well as allow for a cooperative relationship between Goose Bay and the residents of Happy Valley-Goose Bay.

May 4, 2012

"Labrador is experiencing immense economic growth and expanded infrastructure through a rapidly growing mining sector and expected development of Muskrat Falls,"

Minister McGrath

OBJECTIVE INDICATOR PERFORMANCE

3. Collaborated with provincial government departments/entities to advance economic and social development;

Economic and social development advancement in Labrador often requires collaboration involving Provincial Government departments/entities.

The development of the Lower Churchill Project is supported by LAO through executive representation on the Deputy Ministers committee.

In 2012, LAO undertook the coordination role for government with the permitting process for the Lower Churchill development and collaborated regularly with government departments and entities to ensure that the permits for the development are completed in a timely fashion.

A working group of senior officials from several Provincial Government departments co-chaired by LAO and the Town of Happy Valley-Goose Bay (HVGB) was established in November 2012 to better understand and measure impacts of the Lower Churchill Project on HVGB. The Senior Official's Working Group met three times during 2012-2013. The Provincial Government covered the cost to hire a consultant to conduct a baseline study on the impacts of the Lower Churchill Project on the Happy Valley-Goose Bay.

The Labrador West Regional Task Force was established to work with Municipal, Provincial and Federal Governments as well as industry to address the challenges associated with the economic boom in the mining industry in Labrador West. The Task Force met quarterly during 2012-2013. A Working Group was formed which developed a Terms of Reference for the Growth Strategy for both towns of Labrador City and Wabush. In an effort to demonstrate how similar size towns deal with a booming economy, the Task Force also coordinated a 'Lessons Learned' tour of the city of Fort MacMurray, Alberta.

All provincial departments/entities that have commitments in the *Northern Strategic Plan* (NSP) were contacted by LAO regularly over the past year to provide updates on their specific commitments.

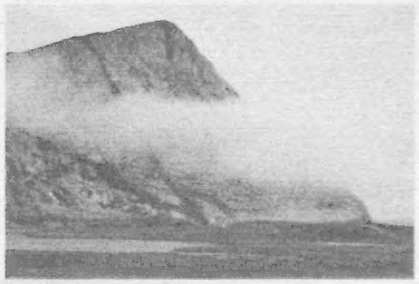
LAO consulted with executive and NSP designates from government departments/ entities on commitments that fall under themes of the Northern Strategic Plan.

LAO participates on an Interdepartmental Advisory Committee that provides advice to the Provincial Government in its negotiations with the Government of Canada on the land transfer for the proposed national park reserve in the Mealy Mountains. LAO is also a participant on the provincial negotiation team.

LAO chairs the Environmental Management and Planning Consultative (EMPC) committee consisting of provincial, federal and Innu Nation representatives. The EMPC committee met twice in 2012-2013 to discuss environmental issues surrounding the Trans Labrador Highway Phase III. LAO also chairs a sub-committee on enforcement stemming from the EMPC committee consisting of provincial, federal and Innu Nation representatives. The sub-committee also met twice in 2012-2013. LAO completed an annual Fall report summarizing committee activities for the past year.

The Centre for the North (CFN) of the Conference Board of Canada conducts research on northern issues. LAO participated on that board. LAO consulted with colleagues on the terms of references for specified research conducted by CFN and provided feedback on its draft reports.

On December 5, 2012, LAO attended Destination Labrador's stakeholder session and Annual General Meeting at Red Bay, Labrador with Labrador operators and all levels of government and key stakeholders in the tourism industry.



Did you know?

The Inuktitut word *Torngait*, means "place of spirits".

OBJECTIVE INDICATOR

4. Provided advice regarding consultations with residents of Labrador on resource management and development in Labrador;

PERFORMANCE

Since LAO is aware of stakeholder interest as it relates to resource management and development, other government departments and agencies seek LAO input on how to approach public engagement in Labrador.

August 16, 2012

"The recent survey of the George River caribou herd is certainly cause for concern, given the significant role that caribou play in the daily lives and culture of Aboriginal people in Labrador. I must reiterate the importance of working together with Aboriginal organizations and interest groups to support long-term management measures for the future of the herd."

Minister McGrath

Oftentimes LAO will advise approaches, locations, invitation lists, timing, etc. to Government department/entities to ensure residents of Labrador are consulted on resource management and development. Government often seeks advice from LAO on its perspectives on important issues.

LAO provided input to the Department of Environment and Conservation on communication material related to the George River Caribou herd and its effort towards development of a management strategy for the herd. LAO provided advice on stakeholder engagement, targeted feedback stakeholder list and also provided feedback on meeting dates.

The office continued to support the Department of Natural Resources on consultations regarding the Lower Churchill Project.

LAO provided advice to the Community Advisory Panel in Labrador West which was led by the Iron Ore Company of Canada and Wabush Mines.

During consultations by the Department of Natural Resources on development of the Forestry Management Five-Year Operating Plan for District 19, LAO provided input on communication material and assisted in the coordination of stakeholder meetings.

The Minister Responsible for Labrador Affairs and other LAO staff attended two significant trade shows including the annual Labrador Expo held on June 24-27, 2012 in Happy Valley-Goose Bay and the Northern Exposure 2013, Labrador Opportunities Conference and Trade Show that took place at the Delta St. John's Hotel and Convention Centre, January 22-24.

OBJECTIVE

INDICATOR

5. **Advocated for federal investment and policies that are reflective of the economic and social needs and opportunities in Labrador communities;**

PERFORMANCE

The Federal Government is a major partner in the social and economic development of Labrador communities.

LAO worked with the Intergovernmental and Aboriginal Affairs Secretariat and other departments and entities to provide advice to the Federal Government through meetings, letters, and representation on relevant intergovernmental committees.

Did you know?

There are 795 kms of winter trails that are groomed to provide access to remote communities in Labrador through the Labrador Transportation Grooming Subsidy.

There have been major initiatives in Labrador communities where LAO strongly encouraged the Federal Government for investment such as:

- Lower Churchill development;
- Marine, air and road transportation;
- 5 Wing Goose Bay;
- Labrador Aboriginal Training Partnership;
- Homelessness Partnering Strategy;
- Air Foodlift Subsidy; and,
- Torngat and Mealy Mountain National Parks.

LAO played an active role in efforts to promote base facilities at 5 Wing Goose Bay for military purposes, and to explore non-military alternative uses. Advice was provided on options to sustain a military presence at 5 Wing Goose Bay, options for non-military uses of base facilities, and options to diversify the local economy including fulfilling the federal commitment to a rapid reaction force and unstaffed aerial vehicle (UAV) squadron for 5 Wing Goose Bay. This was achieved by maintaining positive relationships with 5 Wing Goose Bay, representing Government on the Institute for Environment Monitoring and Research and through coordination of information pertaining to 5 Wing Goose Bay with the Intergovernmental and Aboriginal Affairs Secretariat.

LAO participates on an advisory committee with the Food Security Network – Newfoundland and Labrador project titled "Engaging Communities". LAO supports the project as a member of the committee and writing support letters to obtain funding from the Public Health Agency of Canada.

The Provincial Government is a member of the Northern Development Ministers' Forum (NDMF). As mentioned, the NDMF was formed to advance the diverse and common interests of northerners in Canada while raising awareness among decision-makers and the public about the accomplishments, contributions and potential of the north. Through the NDMF, LAO advocated for provincial interests to the Federal Government through Aboriginal Affairs and Northern Development Canada.

On November 19 and 21, 2012 LAO participated in meetings with the Nutrition North Canada (NNC) Advisory Board and Aboriginal and Northern Development Canada officials in Happy Valley – Goose Bay to discuss the NNC and Air Foodlift Subsidy (AFS) program interaction, subsidy rates and food cost on the north coast of Labrador.

December 17, 2012

"Ferry services for coastal Labrador and across the Strait of Belle Isle will be key to continued growth and prosperity in the region. Providing new multi-purpose vessels will ensure comprehensive service that can address changing industrial, commercial, and commuter needs, which is in keeping with the goals of our Northern Strategic Plan."

Minister McGrath

OBJECTIVE INDICATOR

6. Supported government's efforts to increase public infrastructure and major resource developments in Labrador.

PERFORMANCE

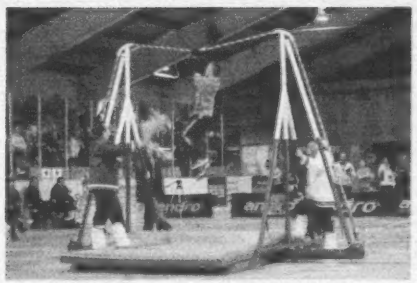
There are opportunities for the Provincial Government to increase public infrastructure in Labrador such as transportation links, schools and hospitals to ensure effective delivery of Provincial Government programs and services in the region. There are major hydro and mineral resource development initiatives in Labrador. LAO supports government's effort to increase public infrastructure and major resource development initiatives through regular correspondence, joint news releases, letters, government papers and providing advice to government on Labrador issues. LAO ensures that all government commitments that fall under themes of the *Northern Strategic Plan* are monitored.

LAO established an office in Labrador West to provide advice on social and economic issues as a result of major mineral exploration and development. The office in Labrador West provides further access to government for the people of Labrador.

Through the NDMF, LAO worked with other jurisdictions in Canada to develop reports on "Information and Communications in the North"; "Sustainable Northern Resource Development: Impacts Benefits Agreements"; and, "Sustainable Housing in the North". These reports provide insight on how best to approach public infrastructure investment and major resource development in the North.

LAO and the Town of Happy Valley-Goose Bay co-chair a senior officials working group comprised of several government departments to better understand and measure impacts of the Lower Churchill Project on the community. In February 2012 a Request for Proposal was issued to hire a consultant to collect baseline data to be utilized to assist in the determination of impacts on the Town by the Lower Churchill Project. Data results will better inform government on future investment requirements on public infrastructure as a result of the Lower Churchill project.

Labrador Affairs Office represents Government on the Conference Board of Canada's Centre for the North (CFN) roundtable. The CFN has a shared vision of sustainable prosperity for Canada's North. Through research and dialogue it aspires to develop new insights that strengthen the foundation for informed decision making.

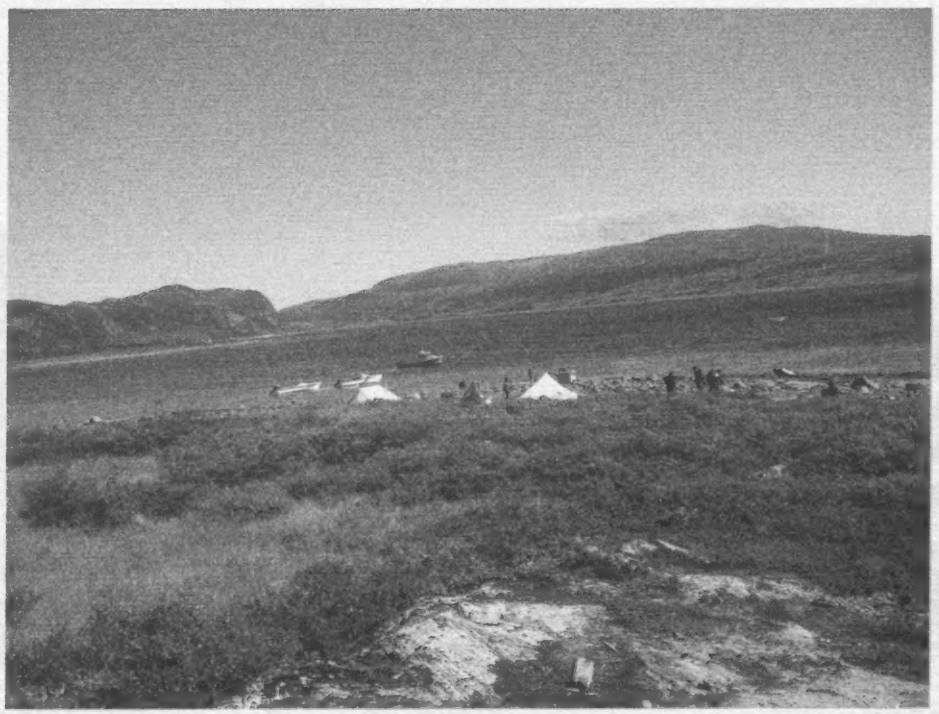


March 1, 2013

"The Labrador Winter Games bring the people of Labrador together like no other event. Tremendous fellowship, pride, and excitement are generated by the competitions, and continue well after the closing ceremonies. Our investment in these games is an investment in athletics, community, and culture, and it yields enduring benefits for everyone involved."

Minister McGrath

Published research in the past year include: *The Future of Mining in Canada's North* (January 2013) and *Getting it Right: Assessing and Building Resilience in Canada's North* (May 2012). LAO provides input on research topics and also reviews and provides feedback on research terms of reference and draft reports. LAO attended the past year's roundtable meetings held in Iqaluit, Nunavut in May 2012.



Tents outside Hebron, Labrador

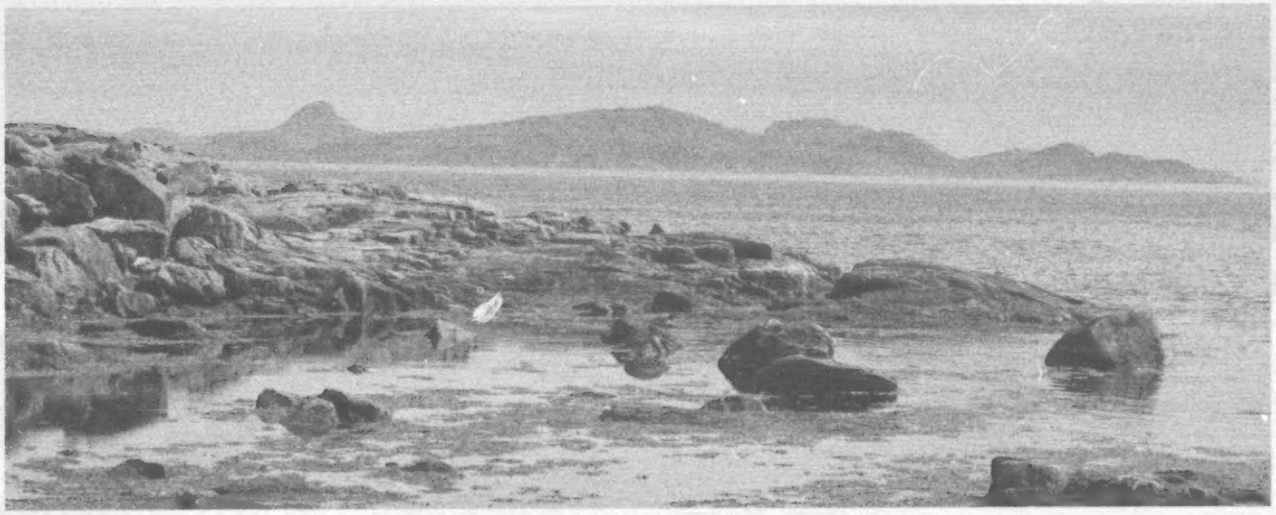
ISSUE 2 POLICY AND PROGRAMS

Residents of Labrador have unique social and economic needs, resulting from historic, social, cultural, and geographic factors. Provincial Government policy and programs that do not reflect these unique needs are less likely to advance the social and economic development of Labrador communities. It is the ongoing mission of the Labrador Affairs Office to advocate for the appropriate consideration and integration of these unique needs into provincial programs and services. LAO needs to be aware of all Provincial Government policy and programs related to Labrador as well as be knowledgeable of all attributes of the region. The office will play a key role in ensuring that information and advice regarding these factors informs Provincial Government policy and programs.

This can be achieved by:

- supporting equitable programs, services and infrastructure to facilitate enhanced accessibility for the residents of Labrador;
- encouraging communications and partnerships with governments, communities, organizations and other stakeholders; and,
- providing a Labrador perspective on Provincial Government policy documents.

The Labrador Affairs Office will report upon the objective and indicators for the 2012-2013 fiscal year.



Coastline in the Torngat Mountains National Park

ISSUE OBJECTIVE 2012-13

BY MARCH 31, 2013, THE LABRADOR AFFAIRS OFFICE WILL HAVE PROVIDED INPUT REGARDING LABRADOR INTERESTS IN GOVERNMENT POLICY AND PROGRAMS.

OBJECTIVE INDICATOR

1. **Provided input on Labrador perspectives in the development of government policy and programs;**

PERFORMANCE

LAO continued to provide input to ensure Labrador perspectives were considered when developing government policy and programs. This was achieved by providing advice on Labrador perspectives to government papers on policy and program development. LAO also advocated Labrador perspectives through participating on interdepartmental working groups. LAO also attended regularly scheduled ministerial and Deputy Minister meetings.

LAO participates on an Interdepartmental Advisory Committee that provides direction to the Province in their negotiations with the Government of Canada on the land transfer for the proposed national park reserve in the Mealy Mountains.

The office also led the development of government policy on programs it administered including the Air Foodlift Subsidy, Labrador Transportation Grooming Subsidy, and the Combined Councils of Labrador and Youth Conference grants.

LAO communicated with departmental designates on Government commitments captured under the *Northern Strategic Plan* for Labrador.

As well, LAO reviewed resource development applications and environmental assessment processes to ensure Labrador perspectives were considered. This review ensures Labrador perspectives that are potentially affected by proposed developments are considered.

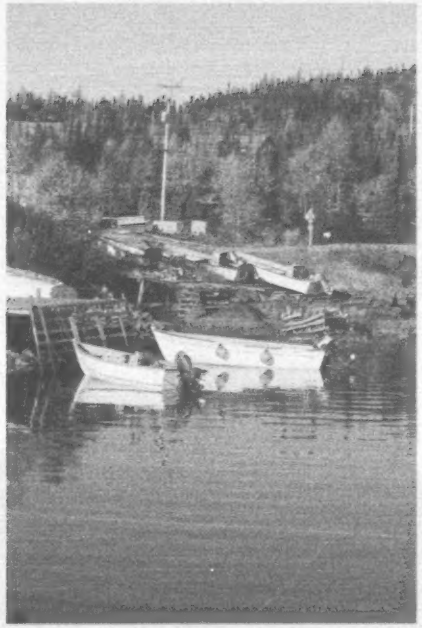
LAO has attended meetings with the Human Resource Secretariat to provide input on corporate learning plans and to advocate for government training in Labrador.

OBJECTIVE INDICATOR

2. **Monitored provincial government initiatives related to Labrador;**

PERFORMANCE

LAO reviews and provides input regarding draft Strategic Plans, Business Plans and Activity Plans of Provincial Government departments/entities. These documents help LAO remain informed of Labrador related activities by other departments/entities. Additionally, LAO provided further input on documents to ensure Labrador relevancy and accuracy.



February 14, 2013

"The fishery continues to be a beneficial aspect of Labrador's local economy and regulations that ensure employment benefits in the region are an essential part of our government's fisheries policy,"

Minister McGrath.

The office led the development of government policy concerning the programs it administers including the Air Foodlift Subsidy, Labrador Transportation Grooming Initiative, and the *Northern Strategic Plan* for Labrador.

All Provincial Government commitments that fall under themes of the *Northern Strategic Plan* were captured under its monitoring framework. Progress and financial updates to these commitments were entered into the monitoring framework.

LAO officials tracked Provincial Government news releases to ensure Labrador related initiatives are effectively noted in the NSP and that relevant officials are aware of government's ongoing initiatives across its departments/entities.

OBJECTIVE INDICATOR

PERFORMANCE

3. Provided analysis to government on issues related to Labrador;

The Provincial Government seeks input from LAO on issues related to Labrador. The office provides in-depth analysis to government through reviews of government papers, budget documents, briefing note collaboration, joint news releases and day to day correspondence. LAO ensures that the Labrador perspective is accurately reflected and considered in government submissions.

LAO's analysis balances the Labrador interest with that of the provincial interest, as a whole. Analysis is applied not only through document review but also by public and internal government meetings/discussions.

The office actively participated in a number of initiatives and working groups on issues affecting the residents of Labrador such as:

- ▸Labrador Regional Senior Management Council;
- ▸Violence Prevention Initiative;
- ▸Regulatory Reform Initiative;
- ▸Canada Newfoundland Labrador Committee on Oceans Management;
- ▸Natural Areas System Plan; and,
- ▸Provincial Coastal and Oceans Network.

September 4, 2012

"Labrador West is experiencing a robust economy right now and both Labrador City and Wabush are poised for continued economic growth. These infrastructure investments illustrate our government's commitment to the region and the exciting opportunities ahead."

Minister McGrath

OBJECTIVE INDICATOR

4. Participated in inter-departmental working groups/committees to provide input on a Labrador perspective;

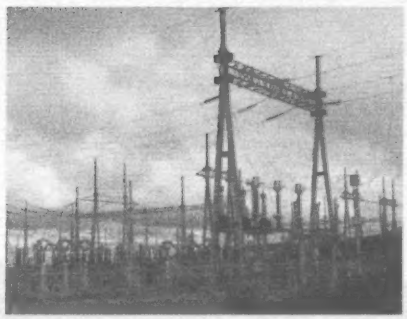
PolicyNL is an initiative of the Government of Newfoundland and Labrador dedicated to excellence in public policy development and decision making by connecting policy professionals, providing access to tools and resources, and hosting and promoting events. LAO policy officials provided input from a regional perspective on this initiative through participation at workshops and assisting the drafting of NL policy manuals.

PERFORMANCE

LAO participated on the following interdepartmental working groups/committees to provide input on a Labrador perspective:

- Pre-Budget Consultations in Labrador West and Central Labrador;
- Needs Assessment Survey on Labrador West;
- Alderon Kami Project Environmental Assessment Working Group;
- Nalcor Lower Churchill Project Transmission Line Information Sessions;
- Nalcor Lower Churchill Project Generation Project Information Sessions;
- Interdepartmental Advisory Committee for the proposed national park reserve in the Mealy Mountains;
- Policy NL Directors Forum;
- Food Security Interdepartmental Working Group;
- Arctic Opportunities; and,
- *Northern Strategic Plan* designate sessions.

Red Bay, Labrador



Did you know?

Churchill Falls is the second largest underground power station in the world and it generates almost 1% of the world's hydroelectric power.

OBJECTIVE INDICATOR

5. Supported government consultations to enable Labrador perspectives to be considered;

PERFORMANCE

The Provincial Government conducts consultations to gather input into the decision making process on government policy. LAO ensured that Labrador perspectives were considered during these government consultations. On a regular basis, Provincial Government departments/entities engage the office for advice on how to effectively consult people from Labrador communities.

Government consultations supported by LAO over the past year include:

- George River Caribou Herd consultations;
- Continued to communicate with designates and departmental executive involving the NSP;
- 5 year Forestry Management Operating Plan for district 19 (central Labrador);
- AFS food surveys were conducted in eligible communities along the north coast and south coast of Labrador;
- Arctic Opportunities stakeholder survey; and,
- Face to face meetings as well as teleconferences were conducted with service providers that delivery the Labrador Transportation Grooming Subsidy in remote regions of Labrador.

OBJECTIVE INDICATOR

6. Monitored Labrador Affairs Office specific programs to ensure effective program delivery.

PERFORMANCE

LAO administered the following Labrador-specific programs: Air Foodlift Subsidy, Labrador Transportation Grooming Subsidy, Combined Councils of Labrador Grant and the Youth Conference Grant. Administration of these programs was supported by office staff Each program was monitored on a regular basis to ensure operation was within the budget allocation while satisfying program objectives. Public awareness of program availability was communicated regularly to stakeholders. LAO worked with the Department of Finance to ensure funding subsidies and grants were provided to stakeholders / community groups in a timely manner. LAO maintains effective communication links with stakeholders / community groups which provide valuable feedback that is considered in program administration.

AFS food surveys were conducted to monitor food prices to ensure customers benefited from the AFS. In addition, the program coordinator maintains contact with retailers involved in the program.

Did you know?

The proposed National Park Reserve in the Mealy Mountains will encompass 10,700 square kms.

Northern tip of the
Wunderstrands, Labrador

THE YEAR AHEAD - OPPORTUNITIES AND CHALLENGES

The construction phase of the Lower Churchill project in Central Labrador will accelerate significantly during 2013-2014. It is anticipated that the Labrador-Island Transmission Link between the Muskrat Falls site and Soldier's Pond (Avalon Peninsula) will be released from Environmental Assessment in 2013. Both of these huge initiatives will intensify economic activity in Central Labrador and along the Straits of Bell Isle near the subsea cable crossing location. More than 75% of direct labour at the Muskrat Falls generation facility will take place in Labrador and will generate approximately 9,100 person-years of direct employment, including 5,800 in Labrador; estimated to be 3100 jobs at peak employment. An additional 3.5 million person hours required constructing the 1100 km Labrador-Island Transmission Link. Development of this massive hydro infrastructure will produce excess power that could be available for industrial use such as mining development.

LAO will continue to coordinate Provincial Government environmental permitting for the project. In this capacity, the office will work with relevant departments/entities and Nalcor Energy to ensure an efficient permitting process. In addition, LAO will continue to co-chair a Senior Official Working Group with the Town of Happy Valley-Goose Bay to understand and measure potential impacts of the Lower Churchill Project on the Town.

In March 2013 Vale agreed to expand its open pit mine at Voisey's Bay to include underground mining. This will extend the life of the mine by 15 years and create an additional 350 permanent jobs at the site. This, in addition to the planned massive mineral development in Labrador West will result in many economic opportunities and create many new jobs. LAO will continue to facilitate and coordinate activities of the Labrador West Regional Task Force addressing priorities including Infrastructure, housing, Wabush airport, shortages of labor and suitable land for development.

The massive economic development will result in an increase in population which will increase demand on existing provincial infrastructure such as roads, schools, hospitals, etc. The booming economy of Labrador West and Central Labrador has caused a significant increase in the demand for homes causing increases in the purchase price of homes. LAO established an office in Labrador West to closely monitor economic opportunities and social challenges in that region. The Provincial Government is planning a round table meeting including the premier and ministers and representatives from mining companies operating in Labrador West to discuss mineral development and challenges around the development.

The transportation system will be further enhanced by the Provincial Government through further paving of roads, year round ferry service and an enhanced air transportation system.

Increase in employment opportunities will place added pressure on the industrial sector and government to recruit and retain workers in Labrador.

Eligible proponents/applicants of the Air Foodlift Subsidy Program (AFS) and the Labrador Transportation Grooming Subsidy Program (LTGS) will be dealt with in a fair and consistent manner. Timelines and budgetary constraints of each program will be taken into consideration. LAO will continue to administer the Labrador Transportation Grooming Subsidy Program (LTGS) to ensure winter snow trails are maintained in the safest manner possible.

LAO plans to complete a program evaluation on the LTGS in 2013-2014 in conjunction with the Policy Innovation Accountability Office and the Newfoundland and Labrador Statistics Agency.

LAO will continue to hold seats on many intergovernmental and interdepartmental committees and boards. The Provincial Government will continue to meet, consult and communicate with all those committees/boards to ensure Labrador interests and concerns are being considered. In an effort to keep all members informed of mining activities and the Lower Churchill Project, the Labrador Regional Senior Management council is planning presentations and tours in Labrador west and in Central Labrador.

LAO will help forge and support a working relationship between Labrador businesses, municipalities and chambers of commerce in efforts to facilitate and manage economic development in Labrador.

Effective and efficient operations are important and will ultimately support LAO in achieving its identified goals and objectives as outlined in its Activity Plan (2011-14).

LAO is up to the challenge to ensure that unique issues of Labrador are considered in the development of government policies and programs and in social and economic development in Labrador. The office will also monitor government programs and services in Labrador and continue administration of Labrador-specific programs.

Hebron, Labrador

FINANCIAL STATEMENTS

	Actual ($)	Estimates	
		Amended ($)	Original ($)
Labrador Affairs Office			
Salaries	1,111,191	1,218,600	1,193,800
Employee Benefits	8,519	10,000	5,500
Travel and Communications	180,793	192,500	172,500
Supplies	12,672	14,300	14,300
Professional Affairs	2,311	15,000	15,000
Purchased Services	170,340	321,000	348,500
Property, Furnishings and Equipment	8,378	9,500	6,500
Grants and Subsidies	635,468	856,500	856,500
	2,129,672	**2,637,400**	**2,612,600**
Revenue - Federal	(88,275)	(81,400)	(81,400)
Revenue –Provincial	(25,785)		
Total Labrador Affairs	2,015,612	2,556,000	2,531,200

*Report on the Program Expenditure and Revenue of the Consolidated Revenue Fund for the year ended March 31, 2013 (Unaudited).

To obtain a copy of this report:

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Back Cover photo: Waterfalls above Swallow Harbour

Newfoundland
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